Foreign Agricultural Service
GAIN Report
Global Agriculture Information Network

Required Report - public distribution

Date: 6/1/2001

GAIN Report #IN1025

India

Oilseeds and Products

Annual

2001

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Report Highlights:

Despite a forecast 7 percent rebound in total oilseeds production, India's edible oil imports are expected to climb to 5.4 million tons in MY2001, once again exceeding domestic supplies. A preferential duty has enhanced the competitiveness of soyoil, though it still accounts for just once-fifth of total imports.

Includes PSD changes: Yes
Includes Trade Matrix: No
Annual Report
New Delhi [IN1], IN

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SECTION I : SITUATION AND OUTLOOK

Oilseeds

Assuming a normal monsoon and well-distributed rains, Indian production of oilseeds is forecast to reach 23.6 million tons in MY 2001, up 10 percent from last year's level. Despite the price impact stemming from record imports of edible oils (which is largely offset by high tariffs), area planted to oilseeds is projected to increase by 3.7 percent to 30.3 million hectares.

Rapeseed is expected to climb to 4.3 million tons, up 15 percent from last year's drought-reduced crop. Groundnut production is forecast to rise to 6.2 million tons, supported by higher yields and a marginal increase in planted area. Improved MY 2000 prices are likely to increase the soybean area, lifting production to 5.6 million tons, 6 percent above last year's crop. As several private companies have developed programs to encourage sunflower production, the output of sun seed is forecast to increase to 1.4 million tons.

Post's estimate of MY 2000 oilseed production has been reduced to 21.6 million tons due to weak 1999 rapeseed prices and drought in major producing areas. With most of the soybean crop now sold, the MY 2000 crop is put at 5.25 million tons. Rapeseed experienced a precipitous decline to 3.7 million tons, down 27 percent from 1999. Post's estimate of MY 2000 groundnut production has been reduced to 5.7 million tons owing to unfavorable growing conditions.

Oilmeals

Oilmeal output is forecast to reach 11.8 million tons in MY 2001, up 7 percent from estimated MY 2000 production when a 13 percent reduction in rapeseed meal took total oilmeal production down to about 11.0 million. Exports of meal are expected to increase marginally to 2.1 million tons, with soymeal accounting for 95 percent of the total. MY 2000 oilmeal exports are put at 2.0 million, down 19 percent from the preceding year. Domestic consumption of oilmeals has increased by about 20 percent in the past five years.

Edible Oils

Assuming a normal monsoon, which would bolster the purchasing power of rural Indians, MY 2001 consumption of edible oils is forecast to rise 6 percent to 10.2 million tons. The increase would be supported by higher MY 2001 domestic production (forecast at nearly 5.0 million tons) and larger imports (forecast at nearly 5.4 million tons). Post's estimate of MY 2000 edible oil production has been lowered to 4.6 million tons, owing largely to a further decline in availability of rapeseed oil. Estimated MY 2000 imports have been increased to 5.0 million tons, as imports of palmolein and soybean oil are now put at 3.3 and 1.0 million tons, respectively.

SECTION II: STATISTICAL TABLES

Commodity, Peanut Oilseed, PSD table

PSD Table							
Country:	India						
Commodity:	Peanut						
		1999		2000		2001	UOM
	Old	New	Old	New	Old	New	
Market Year Begin		10/1999		10/2000		10/2001	(MONTH/ YEAR)
Area Planted	8000	8000	8200	8100	0	8200	(1000 HA)
Area Harvested	8000	8000	8100	8100	0	8200	(1000 HA)
Beginning Stocks	0	0	0	0	0	0	(1000 MT)
Production	5500	5500	5900	5700	0	6200	(1000 MT)
MY Imports	0	0	0	0	0	0	(1000 MT)
MY Imp. from U.S.	0	0	0	0	0	0	(1000 MT)
MY Imp. from the EC	0	0	0	0	0	0	(1000 MT)
TOTAL SUPPLY	5500	5500	5900	5700	0	6200	(1000 MT)
MY Exports	120	100	150	90	0	90	(1000 MT)
MY Exp. to the EC	0	0	0	0	0	0	(1000 MT)
Crush Dom. Consumption	3680	4150	4000	4200	0	4635	(1000 MT)
Food Use Dom. Consump.	600	450	650	510	0	525	(1000 MT)
Feed Seed Waste Dm.Cn.	1100	800	1100	900	0	950	(1000 MT)
Total Dom. Consumption	5380	5400	5750	5610	0	6110	(1000 MT)
Ending Stocks	0	0	0	0	0	0	(1000 MT)
TOTAL DISTRIBUTION	5500	5500	5900	5700	0	6200	(1000 MT)
Calendar Year Imports	0	0	0	0	0	0	(1000 MT)
Calendar Yr Imp. U.S.	0	0	0	0	0	0	(1000 MT)
Calendar Year Exports	120	0	150	0	0	0	(1000 MT)
Calndr Yr Exp. to U.S.	0	0	0	0	0	0	(1000 MT)

Commodity, Rapeseed Oilseed, PSD table

PSD Table							
Country:	India						
Commodity:	Rapeseed						
		1999		2000		2001	UOM
	Old	New	Old	New	Old	New	
Market Year Begin		10/1999		10/2000		10/2001	(MONTH/ YEAR)
Area Planted	5635	6600	5020	5020	0	5000	(1000 HA)
Area Harvested	5635	6600	5020	5020	0	5000	(1000 HA)
Beginning Stocks	500	900	1580	1100	0	500	(1000 MT)
Production	5110	5110	3725	3725	0	4300	(1000 MT)
MY Imports	0	0	0	0	0	0	(1000 MT)
MY Imp. from U.S.	0	0	0	0	0	0	(1000 MT)
MY Imp. from the EC	0	0	0	0	0	0	(1000 MT)
TOTAL SUPPLY	5610	6010	5305	4825	0	4800	(1000 MT)
MY Exports	0	0	0	0	0	0	(1000 MT)
MY Exp. to the EC	0	0	0	0	0	0	(1000 MT)
Crush Dom. Consumption	3500	4300	4000	3740	0	4000	(1000 MT)
Food Use Dom. Consump.	355	390	375	400	0	410	(1000 MT)
Feed Waste Dom.Consum.	175	220	185	185	0	220	(1000 MT)
Total Dom. Consumption	4030	4910	4560	4325	0	4630	(1000 MT)
Ending Stocks	1580	1100	745	500	0	170	(1000 MT)
TOTAL DISTRIBUTION	5610	6010	5305	4825	0	4800	(1000 MT)
Calendar Year Imports	0	0	0	0	0	0	(1000 MT)
Calendar Yr Imp. U.S.	0	0	0	0	0	0	(1000 MT)
Calendar Year Exports	0	0	0	0	0	0	(1000 MT)
Calndr Yr Exp. to U.S.	0	0	0	0	0	0	(1000 MT)

Commodity, Soybean Oilseed, PSD table

PSD Table							
Country:	India						
Commodity:	Soybean						
		1999		2000		2001	UOM
	Old	New	Old	New	Old	New	
Market Year Begin		10/1999		10/2000		10/2001	(MONTH/YEAR)
Area Planted	5645	5800	6000	5800	0	6000	(1000 HA)
Area Harvested	5645	5645	5800	5800	0	6000	(1000 HA)
Beginning Stocks	0	0	0	40	0	0	(1000 MT)
Production	5200	5200	5300	5250	0	5600	(1000 MT)
MY Imports	0	0	0	0	0	0	(1000 MT)
MY Imp. from U.S.	0	0	0	0	0	0	(1000 MT)
MY Imp. from the EC	0	0	0	0	0	0	(1000 MT)
TOTAL SUPPLY	5200	5200	5300	5290	0	5600	(1000 MT)
MY Exports	0	0	0	0	0	0	(1000 MT)
MY Exp. to the EC	0	0	0	0	0	0	(1000 MT)
Crush Dom. Consumption	4450	4400	4350	4465	0	4700	(1000 MT)
Food Use Dom. Consump.	200	200	300	250	0	300	(1000 MT)
Feed Waste Dom.Consum.	550	560	650	575	0	600	(1000 MT)
Total Dom. Consumption	5200	5160	5300	5290	0	5600	(1000 MT)
Ending Stocks	0	40	0	0	0	0	(1000 MT)
TOTAL DISTRIBUTION	5200	5200	5300	5290	0	5600	(1000 MT)
Calendar Year Imports	0	0	0	0	0	0	(1000 MT)
Calendar Yr Imp. U.S.	0	0	0	0	0	0	(1000 MT)
Calendar Year Exports	0	0	0	0	0	0	(1000 MT)
Calndr Yr Exp. to U.S.	0	0	0	0	0	0	(1000 MT)

Commodity, Sunflower Oilseed, PSD table

PSD Table							
Country:	India						
Commodity:	Sunflowerseed						
		1999		2000		2001	UOM
	Old	New	Old	New	Old	New	
Market Year Begin		10/1999		10/2000		10/2001	(MONTH/ YEAR)
Area Planted	2300	2300	2100	2200	0	2400	(1000 HA)
Area Harvested	2300	2300	2100	2200	0	2400	(1000 HA)
Beginning Stocks	0	0	0	0	0	0	(1000 MT)
Production	1300	1300	1200	1250	0	1400	(1000 MT)
MY Imports	0	0	0	0	0	0	(1000 MT)
MY Imp. from U.S.	0	0	0	0	0	0	(1000 MT)
MY Imp. from the EC	0	0	0	0	0	0	(1000 MT)
TOTAL SUPPLY	1300	1300	1200	1250	0	1400	(1000 MT)
MY Exports	0	0	0	0	0	0	(1000 MT)
MY Exp. to the EC	0	0	0	0	0	0	(1000 MT)
Crush Dom. Consumption	1190	1200	1080	1140	0	1285	(1000 MT)
Food Use Dom. Consump.	0	0	0	0	0	0	(1000 MT)
Feed Waste Dom.Consum.	110	100	120	110	0	115	(1000 MT)
Total Dom. Consumption	1300	1300	1200	1250	0	1400	(1000 MT)
Ending Stocks	0	0	0	0	0	0	(1000 MT)
TOTAL DISTRIBUTION	1300	1300	1200	1250	0	1400	(1000 MT)
Calendar Year Imports	0	0	0	0	0	0	(1000 MT)
Calendar Yr Imp. U.S.	0	0	0	0	0	0	(1000 MT)
Calendar Year Exports	0	0	0	0	0	0	(1000 MT)
Calndr Yr Exp. to U.S.	0	0	0	0	0	0	(1000 MT)

Commodity, Cotton Oilseed, PSD table

PSD Table							
Country:	India						
Commodity:	Cottonseed						
		1999		2000		2001	UOM
	Old	New	Old	New	Old	New	
Market Year Begin		10/1999		10/2000		10/2001	(MONTH/ YEAR)
Area Planted (COTTON)	8730	8900	9200	8900	0	8700	(1000 HA)
Area Harvested (COTTON)	8730	8791	9200	8100	0	8700	(1000 HA)
Seed to Lint Ratio	0	0	0	0	0	0	(RATIO)
Beginning Stocks	0	0	0	0	0	0	(1000 MT)
Production	5400	5170	5500	4900	0	5350	(1000 MT)
MY Imports	0	0	0	0	0	0	(1000 MT)
MY Imp. from U.S.	0	0	0	0	0	0	(1000 MT)
MY Imp. from the EC	0	0	0	0	0	0	(1000 MT)
TOTAL SUPPLY	5400	5170	5500	4900	0	5350	(1000 MT)
MY Exports	0	0	0	0	0	0	(1000 MT)
MY Exp. to the EC	0	0	0	0	0	0	(1000 MT)
Crush Dom. Consumption	4100	3938	4150	3650	0	4050	(1000 MT)
Food Use Dom. Consump.	0	0	0	0	0	0	(1000 MT)
Feed Seed Waste Dm.Cn.	1300	1232	1350	1250	0	1300	(1000 MT)
Total Dom. Consumption	5400	5170	5500	4900	0	5350	(1000 MT)
Ending Stocks	0	0	0	0	0	0	(1000 MT)
TOTAL DISTRIBUTION	5400	5170	5500	4900	0	5350	(1000 MT)
Calendar Year Imports	0	0	0	0	0	0	(1000 MT)
Calendar Yr Imp. U.S.	0	0	0	0	0	0	(1000 MT)
Calendar Year Exports	0	0	0	0	0	0	(1000 MT)
Calndr Yr Exp. to U.S.	0	0	0	0	0	0	(1000 MT)

Commodity, Copra Oilseed, PSD table

PSD Table							
Country:	India						
Commodity:	Copra						
		1999		2000		2001	UOM
	Old	New	Old	New	Old	New	
Market Year Begin		10/1999		10/2000		10/2001	(MONTH/ YEAR)
Area Planted	0	0	0	0	0	0	(1000 HA)
Area Harvested	0	0	0	0	0	0	(1000 HA)
Trees	0	0	0	0	0	0	(1000 TREES)
Beginning Stocks	0	0	0	0	0	0	(1000 MT)
Production	725	725	750	725	0	700	(1000 MT)
MY Imports	0	0	0	0	0	0	(1000 MT)
MY Imp. from U.S.	0	0	0	0	0	0	(1000 MT)
MY Imp. from the EC	0	0	0	0	0	0	(1000 MT)
TOTAL SUPPLY	725	725	750	725	0	700	(1000 MT)
MY Exports	0	0	0	0	0	0	(1000 MT)
MY Exp. to the EC	0	0	0	0	0	0	(1000 MT)
Crush Dom. Consumption	725	725	750	725	0	700	(1000 MT)
Food Use	0	0	0	0	0	0	(1000 MT)
Feed, Seed, Waste Dm.Cn.	0	0	0	0	0	0	(1000 MT)
Total Dom. Consumption	725	725	750	725	0	700	(1000 MT)
Ending Stocks	0	0	0	0	0	0	(1000 MT)
TOTAL DISTRIBUTION	725	725	750	725	0	700	(1000 MT)
Calendar Year Imports	0	0	0	0	0	0	(1000 MT)
Calendar Yr Imp. U.S.	0	0	0	0	0	0	(1000 MT)
Calendar Year Exports	0	0	0	0	0	0	(1000 MT)
Calndr Yr Exp. to U.S.	0	0	0	0	0	0	(1000 MT)

Commodity, Peanut Meal, PSD table

PSD Table							
Country:							
Commodity:							
		1999		2000		2001	UOM
	Old	New	Old	New	Old	New	
Market Year Begin		10/1999		10/2000		10/2001	(MONTH/ YEAR)
Crush	3680	4150	4000	4200	0	4635	(1000 HA)
Extr. Rate, 999.9999	0.6657609	0.5903614	0.59375	0.5952381	0	0.5933118	(1000 TREES)
Beginning Stocks	0	0	0	0	0	0	(1000 MT)
Production	2450	2450	2375	2500	0	2750	(1000 MT)
MY Imports	0	0	0	0	0	0	(1000 MT)
MY Imp. from U.S.	0	0	0	0	0	0	(1000 MT)
MY Imp. from the EC	0	0	0	0	0	0	(1000 MT)
TOTAL SUPPLY	2450	2450	2375	2500	0	2750	(1000 MT)
MY Exports	30	30	10	5	0	10	(1000 MT)
MY Exp. to the EC	0	0	0	0	0	0	(1000 MT)
Industrial Dom. Consum	0	0	0	0	0	0	(1000 MT)
Food Use Dom. Consump.	5	5	5	5	0	5	(1000 MT)
Feed Waste Dom.Consum.	2415	2415	2360	2490	0	2735	(1000 MT)
Total Dom. Consumption	2420	2420	2365	2495	0	2740	(1000 MT)
Ending Stocks	0	0	0	0	0	0	(1000 MT)
TOTAL DISTRIBUTION	2450	2450	2375	2500	0	2750	(1000 MT)
Calendar Year Imports	0	0	0	0	0	0	(1000 MT)
Calendar Yr Imp. U.S.	0	0	0	0	0	0	(1000 MT)
Calendar Year Exports	30	30	10	5	0	10	(1000 MT)
Calndr Yr Exp. to U.S.	0	0	0	0	0	0	(1000 MT)

Commodity, Rapeseed Meal, PSD table

PSD Table							
Country:							
Commodity:							
		1999		2000		2001	UOM
	Old	New	Old	New	Old	New	
Market Year Begin		10/1999		10/2000		10/2001	(MONTH/ YEAR)
Crush	3500	4300	4000	3740	0	4000	(1000 MT)
Extr. Rate	0.6571429	0.6627907	0.65	0.6617647	0	0.6625	
Beginning Stocks	0	0	0	0	0	0	(1000 MT)
Production	2300	2850	2600	2475	0	2650	(1000 MT)
MY Imports	0	0	0	0	0	0	(1000 MT)
MY Imp. from U.S.	0	0	0	0	0	0	(1000 MT)
MY Imp. from the EC	0	0	0	0	0	0	(1000 MT)
TOTAL SUPPLY	2300	2850	2600	2475	0	2650	(1000 MT)
MY Exports	30	30	25	50	0	75	(1000 MT)
MY Exp. to the EC	0	0	0	0	0	0	(1000 MT)
Industrial Dom. Consum	0	0	0	0	0	0	(1000 MT)
Food Use Dom. Consump.	0	0	0	0	0	0	(1000 MT)
Feed Waste Dom.Consum.	2270	2820	2575	2425	0	2575	(1000 MT)
Total Dom. Consumption	2270	2820	2575	2425	0	2575	(1000 MT)
Ending Stocks	0	0	0	0	0	0	(1000 MT)
TOTAL DISTRIBUTION	2300	2850	2600	2475	0	2650	(1000 MT)
Calendar Year Imports	0	0	0	0	0	0	(1000 MT)
Calendar Yr Imp. U.S.	0	0	0	0	0	0	(1000 MT)
Calendar Year Exports	30	30	25	50	0	75	(1000 MT)
Calndr Yr Exp. to U.S.	0	0	0	0	0	0	(1000 MT)

Commodity, Soybean Meal, PSD table

PSD Table							
Country:							
Commodity:							
		1999		2000		2001	UOM
	Old	New	Old	New	Old	New	
Market Year Begin		10/1999		10/2000		10/2001	(MONTH/ YEAR)
Crush	4450	4400	4350	4465	0	4700	(1000 MT)
Extr. Rate	0.797752 8	0.780909 1	0.787356 3	0.789473 7	0	0.787234	
Beginning Stocks	470	70	0	0	0	0	(1000 MT)
Production	3550	3436	3425	3525	0	3700	(1000 MT)
MY Imports	0	0	0	0	0	0	(1000 MT)
MY Imp. from U.S.	0	0	0	0	0	0	(1000 MT)
MY Imp. from the EC	0	0	0	0	0	0	(1000 MT)
TOTAL SUPPLY	4020	3506	3425	3525	0	3700	(1000 MT)
MY Exports	2275	2350	1750	1900	0	2000	(1000 MT)
MY Exp. to the EC	0	0	0	0	0	0	(1000 MT)
Industrial Dom. Consum	0	0	0	0	0	0	(1000 MT)
Food Use Dom. Consump.	200	56	250	75	0	100	(1000 MT)
Feed Waste Dom.Consum.	1545	1100	1425	1550	0	1600	(1000 MT)
Total Dom. Consumption	1745	1156	1675	1625	0	1700	(1000 MT)
Ending Stocks	0	0	0	0	0	0	(1000 MT)
TOTAL DISTRIBUTION	4020	3506	3425	3525	0	3700	(1000 MT)
Calendar Year Imports	0	0	0	0	0	0	(1000 MT)
Calendar Yr Imp. U.S.	0	0	0	0	0	0	(1000 MT)
Calendar Year Exports	2300	2350	1750	1450	0	2000	(1000 MT)
Calndr Yr Exp. to U.S.	0	0	0	0	0	0	(1000 MT)

Commodity, Sunflower Meal, PSD table

PSD Table							
Country:							
Commodity:							
		1999		2000		2001	UOM
	Old	New	Old	New	Old	New	
Market Year Begin		10/1998		10/1999		10/2000	(MONTH/ YEAR)
Crush	1190	1200	1080	1140	0	1285	(1000 MT)
Extr. Rate	0.4495798	0.4458333	0.4444444	0.4473684	0	0.4474708	
Beginning Stocks	0	0	0	0	0	0	(1000 MT)
Production	535	535	480	510	0	575	(1000 MT)
MY Imports	0	0	0	0	0	0	(1000 MT)
MY Imp. from U.S.	0	0	0	0	0	0	(1000 MT)
MY Imp. from the EC	0	0	0	0	0	0	(1000 MT)
TOTAL SUPPLY	535	535	480	510	0	575	(1000 MT)
MY Exports	2	5	10	5	0	5	(1000 MT)
MY Exp. to the EC	0	0	0	0	0	0	(1000 MT)
Industrial Dom. Consum	0	0	0	0	0	0	(1000 MT)
Food Use Dom. Consump.	0	0	0	0	0	0	(1000 MT)
Feed Waste Dom.Consum.	533	530	470	505	0	570	(1000 MT)
Total Dom. Consumption	533	530	470	505	0	570	(1000 MT)
Ending Stocks	0	0	0	0	0	0	(1000 MT)
TOTAL DISTRIBUTION	535	535	480	510	0	575	(1000 MT)
Calendar Year Imports	0	0	0	0	0	0	(1000 MT)
Calendar Yr Imp. U.S.	0	0	0	0	0	0	(1000 MT)
Calendar Year Exports	2	5	10	5	0	5	(1000 MT)
Calndr Yr Exp. to U.S.	0	0	0	0	0	0	(1000 MT)

Commodity, Cotton Meal, PSD table

PSD Table							
Country:							
Commodity:							
		1999		2000		2001	UOM
	Old	New	Old	New	Old	New	
Market Year Begin		10/1999		10/2000		10/2001	(MONTH/ YEAR)
Crush	4100	3938	4150	3650	0	4050	(1000 MT)
Extr. Rate	0.4512195	0.4710513	0.4638554	0.4726027	0	0.4716049	
Beginning Stocks	0	0	0	0	0	0	(1000 MT)
Production	1850	1855	1925	1725	0	1910	(1000 MT)
MY Imports	0	0	0	0	0	0	(1000 MT)
MY Imp. from U.S.	0	0	0	0	0	0	(1000 MT)
MY Imp. from the EC	0	0	0	0	0	0	(1000 MT)
TOTAL SUPPLY	1850	1855	1925	1725	0	1910	(1000 MT)
MY Exports	0	10	5	5	0	5	(1000 MT)
MY Exp. to the EC	0	0	0	0	0	0	(1000 MT)
Industrial Dom. Consum	0	0	0	0	0	0	(1000 MT)
Food Use Dom. Consump.	0	0	0	0	0	0	(1000 MT)
Feed Waste Dom.Consum.	1850	1845	1920	1720	0	1905	(1000 MT)
Total Dom. Consumption	1850	1845	1920	1720	0	1905	(1000 MT)
Ending Stocks	0	0	0	0	0	0	(1000 MT)
TOTAL DISTRIBUTION	1850	1855	1925	1725	0	1910	(1000 MT)
Calendar Year Imports	0	0	0	0	0	0	(1000 MT)
Calendar Yr Imp. U.S.	0	0	0	0	0	0	(1000 MT)
Calendar Year Exports	0	0	5	5	0	5	(1000 MT)
Calndr Yr Exp. to U.S.	0	0	0	0	0	0	(1000 MT)

Commodity, Copra Meal, PSD table

PSD Table							
Country:							
Commodity:							
		1999		2000		2001	UOM
	Old	New	Old	New	Old	New	
Market Year Begin		10/1999		10/2000		10/2001	(MONTH/ YEAR)
Crush	725	725	750	725	0	700	(1000 MT)
Extr. Rate	0.3724138	0.3724138	0.3733333	0.3724138	0	0.3714286	
Beginning Stocks	0	0	0	0	0	0	(1000 MT)
Production	270	270	280	270	0	260	(1000 MT)
MY Imports	0	0	0	0	0	0	(1000 MT)
MY Imp. from U.S.	0	0	0	0	0	0	(1000 MT)
MY Imp. from the EC	0	0	0	0	0	0	(1000 MT)
TOTAL SUPPLY	270	270	280	270	0	260	(1000 MT)
MY Exports	0	0	0	0	0	0	(1000 MT)
MY Exp. to the EC	0	0	0	0	0	0	(1000 MT)
Industrial Dom. Consum	0	0	0	0	0	0	(1000 MT)
Food Use Dom. Consump.	5	5	5	5	0	5	(1000 MT)
Feed Waste Dom.Consum.	265	265	275	265	0	255	(1000 MT)
Total Dom. Consumption	270	270	280	270	0	260	(1000 MT)
Ending Stocks	0	0	0	0	0	0	(1000 MT)
TOTAL DISTRIBUTION	270	270	280	270	0	260	(1000 MT)
Calendar Year Imports	0	0	0	0	0	0	(1000 MT)
Calendar Yr Imp. U.S.	0	0	0	0	0	0	(1000 MT)
Calendar Year Exports	0	0	0	0	0	0	(1000 MT)
Calndr Yr Exp. to U.S.	0	0	0	0	0	0	(1000 MT)

Commodity, Peanut Oil, PSD table

PSD Table							
Country:							
Commodity:							
		1999		2000		2001	UOM
	Old	New	Old	New	Old	New	
Market Year Begin		10/1999		10/2000		10/2001	(MONTH/ YEAR)
Crush	3680	4150	4000	4200	0	4635	(1000 HA)
Extr. Rate, 999.9999	0.2853261	0.2891566	0.2875	0.2880952	0	0.2858684	(1000 TREES)
Beginning Stocks	0	0	0	0	0	0	(1000 MT)
Production	1050	1200	1150	1210	0	1325	(1000 MT)
MY Imports	0	0	0	0	0	0	(1000 MT)
MY Imp. from U.S.	0	0	0	0	0	0	(1000 MT)
MY Imp. from the EC	0	0	0	0	0	0	(1000 MT)
TOTAL SUPPLY	1050	1200	1150	1210	0	1325	(1000 MT)
MY Exports	0	0	0	0	0	0	(1000 MT)
MY Exp. to the EC	0	0	0	0	0	0	(1000 MT)
Industrial Dom. Consum	5	5	10	5	0	5	(1000 MT)
Food Use Dom. Consump.	1045	1195	1140	1205	0	1320	(1000 MT)
Feed Waste Dom.Consum.	0	0	0	0	0	0	(1000 MT)
Total Dom. Consumption	1050	1200	1150	1210	0	1325	(1000 MT)
Ending Stocks	0	0	0	0	0	0	(1000 MT)
TOTAL DISTRIBUTION	1050	1200	1150	1210	0	1325	(1000 MT)
Calendar Year Imports	0	0	0	0	0	0	(1000 MT)
Calendar Yr Imp. U.S.	0	0	0	0	0	0	(1000 MT)
Calendar Year Exports	0	0	0	0	0	0	(1000 MT)
Calndr Yr Exp. to U.S.	0	0	0	0	0	0	(1000 MT)

Commodity, Rapeseed Oil, PSD table

PSD Table							
Country:							
Commodity:							
		1999		2000		2001	UOM
	Old	New	Old	New	Old	New	
Market Year Begin		10/1999		10/2000		10/2001	(MONTH/ YEAR)
Crush	3500	4300	4000	3740	0	4000	(1000 MT)
Extr. Rate	0.3285714	0.3255814	0.325	0.3275401	0	0.325	
Beginning Stocks	0	0	0	0	0	0	(1000 MT)
Production	1150	1400	1300	1225	0	1300	(1000 MT)
MY Imports	141	142	150	100	0	100	(1000 MT)
MY Imp. from U.S.	0	0	0	0	0	0	(1000 MT)
MY Imp. from the EC	0	0	0	0	0	0	(1000 MT)
TOTAL SUPPLY	1291	1542	1450	1325	0	1400	(1000 MT)
MY Exports	0	0	0	0	0	0	(1000 MT)
MY Exp. to the EC	0	0	0	0	0	0	(1000 MT)
Industrial Dom. Consum	0	0	0	0	0	0	(1000 MT)
Food Use Dom. Consump.	1291	1542	1450	1325	0	1400	(1000 MT)
Feed Waste Dom.Consum.	0	0	0	0	0	0	(1000 MT)
Total Dom. Consumption	1291	1542	1450	1325	0	1400	(1000 MT)
Ending Stocks	0	0	0	0	0	0	(1000 MT)
TOTAL DISTRIBUTION	1291	1542	1450	1325	0	1400	(1000 MT)
Calendar Year Imports	141	142	150	100	0	100	(1000 MT)
Calendar Yr Imp. U.S.	0	0	0	0	0	0	(1000 MT)
Calendar Year Exports	0	0	0	0	0	0	(1000 MT)
Calndr Yr Exp. to U.S.	0	0	0	0	0	0	(1000 MT)

Commodity, Soybean Oil, PSD table

PSD Table							
Country:							
Commodity:							
		1999		2000		2001	UOM
	Old	New	Old	New	Old	New	
Market Year Begin		10/1999		10/2000		10/2001	(MONTH/ YEAR)
Crush	4450	4400	4350	4465	0	4700	(1000 MT)
Extr. Rate	0.1797753	0.18	0.1781609	0.1780515	0	0.1787234	
Beginning Stocks	0	0	0	0	0	0	(1000 MT)
Production	800	792	775	795	0	840	(1000 MT)
MY Imports	763	790	600	1000	0	900	(1000 MT)
MY Imp. from U.S.	25	72	100	100	0	125	(1000 MT)
MY Imp. from the EC	0	0	0	0	0	0	(1000 MT)
TOTAL SUPPLY	1563	1582	1375	1795	0	1740	(1000 MT)
MY Exports	0	0	0	0	0	0	(1000 MT)
MY Exp. to the EC	0	0	0	0	0	0	(1000 MT)
Industrial Dom. Consum	0	0	0	0	0	0	(1000 MT)
Food Use Dom. Consump.	1563	1582	1375	1795	0	1740	(1000 MT)
Feed Waste Dom.Consum.	0	0	0	0	0	0	(1000 MT)
Total Dom. Consumption	1563	1582	1375	1795	0	1740	(1000 MT)
Ending Stocks	0	0	0	0	0	0	(1000 MT)
TOTAL DISTRIBUTION	1563	1582	1375	1795	0	1740	(1000 MT)
Calendar Year Imports	763	790	600	1000	0	900	(1000 MT)
Calendar Yr Imp. U.S.	25	72	100	100	0	125	(1000 MT)
Calendar Year Exports	0	0	0	0	0	0	(1000 MT)
Calndr Yr Exp. to U.S.	0	0	0	0	0	0	(1000 MT)

Commodity, Sunflower Oil, PSD table

PSD Table							
Country:							
Commodity:							
		1999		2000		2001	UOM
	Old	New	Old	New	Old	New	
Market Year Begin		10/1999		10/2000		10/2001	(MONTH/ YEAR)
Crush	1190	1200	1080	1140	0	1285	(1000 MT)
Extr. Rate	0.3529412	0.35	0.3518519	0.3508772	0	0.3540856	
Beginning Stocks	0	0	0	0	0	0	(1000 MT)
Production	420	420	380	400	0	455	(1000 MT)
MY Imports	569	570	650	500	0	600	(1000 MT)
MY Imp. from U.S.	20	50	100	25	0	25	(1000 MT)
MY Imp. from the EC	0	0	0	0	0	0	(1000 MT)
TOTAL SUPPLY	989	990	1030	900	0	1055	(1000 MT)
MY Exports	0	0	0	0	0	0	(1000 MT)
MY Exp. to the EC	0	0	0	0	0	0	(1000 MT)
Industrial Dom. Consum	0	0	0	0	0	0	(1000 MT)
Food Use Dom. Consump.	989	990	1030	900	0	1055	(1000 MT)
Feed Waste Dom.Consum.	0	0	0	0	0	0	(1000 MT)
Total Dom. Consumption	989	990	1030	900	0	1055	(1000 MT)
Ending Stocks	0	0	0	0	0	0	(1000 MT)
TOTAL DISTRIBUTION	989	990	1030	900	0	1055	(1000 MT)
Calendar Year Imports	569	570	650	500	0	600	(1000 MT)
Calendar Yr Imp. U.S.	20	50	100	25	0	25	(1000 MT)
Calendar Year Exports	0	0	0	0	0	0	(1000 MT)
Calndr Yr Exp. to U.S.	0	0	0	0	0	0	(1000 MT)

Commodity, Cottonseed Oil, PSD table

PSD Table							
Country:							
Commodity:							
		1999		2000		2001	UOM
	Old	New	Old	New	Old	New	
Market Year Begin		10/1999		10/2000		10/2001	(MONTH/ YEAR)
Crush	4100	3938	4150	3650	0	4050	(1000 MT)
Extr. Rate	0.1414634	0.1396648	0.1421687	0.139726	0	0.1395062	
Beginning Stocks	0	0	0	0	0	0	(1000 MT)
Production	580	550	590	510	0	565	(1000 MT)
MY Imports	65	65	50	30	0	30	(1000 MT)
MY Imp. from U.S.	10	0	10	0	0	0	(1000 MT)
MY Imp. from the EC	0	0	0	0	0	0	(1000 MT)
TOTAL SUPPLY	645	615	640	540	0	595	(1000 MT)
MY Exports	0	0	0	0	0	0	(1000 MT)
MY Exp. to the EC	0	0	0	0	0	0	(1000 MT)
Industrial Dom. Consum	50	18	55	55	0	60	(1000 MT)
Food Use Dom. Consump.	595	597	585	485	0	535	(1000 MT)
Feed Waste Dom.Consum.	0	0	0	0	0	0	(1000 MT)
Total Dom. Consumption	645	615	640	540	0	595	(1000 MT)
Ending Stocks	0	0	0	0	0	0	(1000 MT)
TOTAL DISTRIBUTION	645	615	640	540	0	595	(1000 MT)
Calendar Year Imports	50	65	50	30	0	30	(1000 MT)
Calendar Yr Imp. U.S.	10	0	10	0	0	0	(1000 MT)
Calendar Year Exports	0	0	0	0	0	0	(1000 MT)
Calndr Yr Exp. to U.S.	0	0	0	0	0	0	(1000 MT)

Commodity, Copra Oil, PSD table

PSD Table							
Country:							
Commodity:							
		1999		2000		2001	UOM
	Old	New	Old	New	Old	New	
Market Year Begin		10/1999		10/2000		10/2001	(MONTH/ YEAR)
Crush	725	725	750	725	0	700	(1000 MT)
Extr. Rate	0.613793 1	0.613793 1	0.613333 3	0.613793 1	0	0.614285 7	
Beginning Stocks	0	0	0	0	0	0	(1000 MT)
Production	445	445	460	445	0	430	(1000 MT)
MY Imports	0	0	0	0	0	0	(1000 MT)
MY Imp. from U.S.	0	0	0	0	0	0	(1000 MT)
MY Imp. from the EC	0	0	0	0	0	0	(1000 MT)
TOTAL SUPPLY	445	445	460	445	0	430	(1000 MT)
MY Exports	0	0	0	0	0	0	(1000 MT)
MY Exp. to the EC	0	0	0	0	0	0	(1000 MT)
Industrial Dom. Consum	240	230	255	235	0	235	(1000 MT)
Food Use Dom. Consump.	205	215	205	210	0	195	(1000 MT)
Feed Waste Dom.Consum.	0	0	0	0	0	0	(1000 MT)
Total Dom. Consumption	445	445	460	445	0	430	(1000 MT)
Ending Stocks	0	0	0	0	0	0	(1000 MT)
TOTAL DISTRIBUTION	445	445	460	445	0	430	(1000 MT)
Calendar Year Imports	0	0	0	0	0	0	(1000 MT)
Calendar Yr Imp. U.S.	0	0	0	0	0	0	(1000 MT)
Calendar Year Exports	0	0	0	0	0	0	(1000 MT)
Calndr Yr Exp. to U.S.	0	0	0	0	0	0	(1000 MT)

Commodity, Palm Oil, PSD table

PSD Table							
Country:	India						
Commodity:	Oil, Palm						
		1999		2000		2001	UOM
	Old	New	Old	New	Old	New	
Market Year Begin		10/1999		10/2000		10/2001	(MONTH/ YEAR)
Area Planted	50	50	50	40	0	40	(1000 HA)
Area Harvested	40	40	40	35	0	35	(1000 HA)
Trees	0	0	0	0	0	0	(1000 TREES)
Beginning Stocks	686	650	666	500	0	490	(1000 MT)
Production	50	50	50	40	0	40	(1000 MT)
MY Imports	2930	2930	3100	3350	0	3750	(1000 MT)
MY Imp. from U.S.	0	0	0	0	0	0	(1000 MT)
MY Imp. from the EC	0	0	0	0	0	0	(1000 MT)
TOTAL SUPPLY	3666	3630	3816	3890	0	4280	(1000 MT)
MY Exports	0	0	0	0	0	0	(1000 MT)
MY Exp. to the EC	0	0	0	0	0	0	(1000 MT)
Industrial Dom. Consum.	0	0	0	0	0	0	(1000 MT)
Food Use Dom. Consump.	3000	3130	3500	3400	0	3700	(1000 MT)
Feed Seed Waste Dm.Cn.	0	0	0	0	0	0	(1000 MT)
Total Dom. Consumption	3000	3130	3500	3400	0	3700	(1000 MT)
Ending Stocks	666	500	316	490	0	580	(1000 MT)
TOTAL DISTRIBUTION	3666	3630	3816	3890	0	4280	(1000 MT)
Calendar Year Imports	2930	2930	3100	3350	0	3750	(1000 MT)
Calendar Yr Imp. U.S.	0	0	0	0	0	0	(1000 MT)
Calendar Year Exports	0	0	0	0	0	0	(1000 MT)
Calndr Yr Exp. to U.S.	0	0	0	0	0	0	(1000 MT)

Commodity, Peanut Oil, Price table

Prices Table			
Country:			
Commodity:			
Year:	2001		
Prices in (currency)	rupees	per (uom)	$ per tonne
Year	2000	2001	% Change
Jan	809	693	-14.3%
Feb	792	677	-14.5%
Mar	795	715	-10.1%
Apr	820		-100.0%
May	783		-100.0%
Jun	867		-100.0%
Jul	899		-100.0%
Aug	872		-100.0%
Sep	842		-100.0%
Oct	851		-100.0%
Nov	749		-100.0%
Dec	720		-100.0%
Exchange Rate	46.7	(Local currency/US $)	
Date of Quote	05/31/01	(MM/DD/YY)	

Commodity, Rapeseed Oil, Price table

Prices Table			
Country:			
Commodity:			
Year:	2001		
Prices in (currency)	Rupees	per (uom)	$ per tonne
Year	2000	2001	% Change
Jan	828	785	-5.2%
Feb	767	830	8.2%
Mar	735	835	13.6%
Apr	740		-100.0%
May	740		-100.0%
Jun	738		-100.0%
Jul	738		-100.0%
Aug	749		-100.0%
Sep	749		-100.0%
Oct	750		-100.0%
Nov	752		-100.0%
Dec	765		-100.0%
Exchange Rate	46.7	(Local currency/US $)	
Date of Quote	05/31/01	(MM/DD/YY)	

Commodity, Soybean Oil, Price table

Prices Table			
Country:			
Commodity:			
Year:	2001		
Prices in (currency)	rupees	per (uom)	$ per tonne
Year	2000	2001	% Change
Jan	511	457	-10.6%
Feb	483	475	-1.7%
Mar	495	546	10.3%
Apr	498		-100.0%
May	470		-100.0%
Jun	460		-100.0%
Jul	483		-100.0%
Aug	453		-100.0%
Sep	453		-100.0%
Oct	427		-100.0%
Nov	471		-100.0%
Dec	456		-100.0%
Exchange Rate	46.7	(Local currency/US $)	
Date of Quote	05/31/01	(MM/DD/YY)	

Commodity, Sunflower Oil, Price table

Prices Table			
Country:			
Commodity:			
Year:	2001		
Prices in (currency)	rupees	per (uom)	$ per tonne
Year	2000	2001	% Change
Jan	557	526	-5.6%
Feb	527	525	-0.4%
Mar	524	664	26.7%
Apr	492		-100.0%
May	427		-100.0%
Jun	458		-100.0%
Jul	495		-100.0%
Aug	475		-100.0%
Sep	503		-100.0%
Oct	476		-100.0%
Nov	562		-100.0%
Dec	551		-100.0%
Exchange Rate	46.7	(Local currency/US $)	
Date of Quote	05/31/01	(MM/DD/YY)	

Commodity, Cottonseed Oil, Price table

Prices Table			
Country:			
Commodity:			
Year:	2001		
Prices in (currency)	rupees	per (uom)	$ per tonne
Year	2000	2001	% Change
Jan	535	500	-6.5%
Feb	506	508	0.4%
Mar	522	579	10.9%
Apr	521		-100.0%
May	492		-100.0%
Jun	536		-100.0%
Jul	575		-100.0%
Aug	553		-100.0%
Sep	555		-100.0%
Oct	524		-100.0%
Nov	538		-100.0%
Dec	508		-100.0%
Exchange Rate	46.7	(Local currency/US $)	
Date of Quote	31-May-01	(MM/DD/YY)	

SECTION III: NARRATIVE ON SUPPLY, DEMAND, POLICY AND MARKETING

Total Oilseeds

Indian oilseeds yields are among the lowest in the world, as most are grown on marginal lands under rainfed conditions. This can partly be attributed to the central government's policy of supporting the production of food grains over oilseeds. Indian farmers generally limit input use for oilseeds (relative to food grains) as remunerative prices are less certain. Use of high-quality seeds is negligible. Lack of improved seed is due in part to the GOI's failure to pass the Plant Variety Protection Act, a draft of which was first submitted to Parliament in 1993 (and revised and resubmitted in 1999). No genetically modified oilseeds are currently cultivated, though development of a GMO mustard is in the advanced stages. Political and scientific leaders are generally supportive of biotechnology, but administrative hurdles have precluded clearance of any varieties for commercial use.

Higher import duties for edible oils have failed to address (and likely postponed) the need to enhance Indian productivity of oilseeds. Recently, the National Association of Solvent Extractors established a fund to promote the cultivation of oilseeds by offering grain farmers cash to divert land to the production of oilseeds. In the 1970's the government established a Technology Mission on Oilseeds and Pulses, supported by a budget of $21 million (2000/01). Given the current growth in population, income and consumption, India is likely to remain the world's largest importer of edible oils until there are major changes in policy to the benefit of domestic oilseed production.

Consumption

About 85 percent of Indian oilseed production is utilized by the oil extraction sector, with the balance used for food, feed and seed. There has been an increase in direct food consumption of soybeans due to increasing health awareness among the urban population. Rapeseed and other minor oilseeds such as sesame and flax are typically used in seasonings and pickles. Peanut consumption is mainly confined to table use. Direct feed use of soybeans is widely practiced in the aquaculture sector.

Solvent extractors (numbering about 700) crush 45 percent of the Indian oilseed crop, with the balance crushed by about 80,000 small operators. Increasing demand for high-quality oil meals is contributing to the expansion of solvent extractors at the expense of small-scale processing units. Average capacity utilization of large-scale crushing units is estimated at only 35 percent.

Prices

Higher tariff barriers and lower oilseed production led to improved oilseed prices in MY 2000, though prices tended to fluctuate around the government's established minimum support price (MSP). In some markets, the price of rape/mustard seed occasionally fell below the MSP of rs.10,500($225)/ton, though this season's low, rs.10,200 ($218)/ton, was well above last year's low of rs. 9,500($203)/ton. Current soybean prices are about rs. 10,500($225)/ton, compared

with last year's price of around rs. 9,300($199)/ton.

Trade

Trade sources report that oilseed imports for domestic crushing are not viable unless they enter duty free. Although imports of soybeans are allowed in split form, crushers maintain that this is impracticable. The import of other oilseeds is also considered unviable as crushers would be unable to sell the meal in the domestic market where prices already are pressured due to weak export demand and anemic growth in the compound feed sector. Stringent EU aflatoxin standards and depressed demand from Indonesia and other south-east Asian economies continue to dampen prospects for Indian exports of HPS peanuts, which are forecast at 90,000 tons in MY 2001. India also exports limited quantities of minor oilseeds such as edible-grade sesame and niger seed to the US and EU.

Market Opportunities

Despite the fact that soybeans may be "freely" imported, the splitting requirement and a 51.6 percent tariff effectively preclude any imports. The USDA continues to work with the GOI to address India's phytosanitary concerns regarding the importation of whole beans.

Total Oil Meals

Consumption

Weaker export demand has led to lower prices, encouraging domestic consumption of oilmeals. In the last five years, use has increased by 20 percent. The growing commercialization of the meat, dairy and poultry sectors have also increased demand for feeds. Industry sources estimate domestic consumption of soymeal during 2000 at 1.6 million tons, of which an estimated 1.5 million tons was consumed by the feed industry. The consumption of commercial feeds in the poultry sector is judged to be growing at 15 percent per annum, and reached an estimated 1.4 million tons in MY 2000. The blending of soymeal flour with wheat flour by branded wheat flour manufacturers, and the growing consumption of soy products, including soy snacks, have contributed to a 30 percent increase in the food use of soymeal, now estimated at 75,000 tons.

Trade

Exports of oilmeal are forecast at 2.1 million tons in MY 2001, with soybean meal accounting for 95 percent of the total. Exports of peanut and rape meal are anticipated to recover to 10,000 and 75,000 tons, respectively, in MY 2001, on the lower Chinese rapeseed crush and increased domestic availability. MY 2000 oilmeal exports are estimated at 1.97 million tons, compared with 2.43 million tons in the previous year. The decline is mostly attributed to a fall in exports of peanut meal due to the availability of low-priced soymeal and better quality rapemeal from China.

Policy

Oilmeals are subject to a 19.6 percent tariff, which effectively precludes imports. Although the government continues to encourage oilmeal exports as a foreign exchange earner, there is no export subsidy program. Dereservation of the poultry feed sector from the small-scale industry category has led to increasing commercialization, as evidenced by greater backward integration, increased use of commercial feeds and more technological innovation in milling. Expansion of the commercial dairying sector also is increasing domestic consumption of oilmeals. In addition, the feed milling sector has benefitted from exemption from state excise taxes and other duties.

Total Oils

Consumption

Total consumption of edible oils is forecast to reach 10.2 million tons in MY 2001, assuming a normal monsoon and enhanced rural purchasing power. More than one-half of the supplies will be imported. Per capita consumption of oil reached an estimated 10.1 kg last year, 25 percent higher than in 1995.

Although vegetable oil prices declined sharply in MY 1999, prices recovered somewhat in the current marketing year due to weak domestic oilseed production and higher import tariffs. April month-end prices of major refined edible oils in Delhi/Mumbai were (rs. ($) /mt): peanut oil rs. 39,800 ($936); rapeseed oil rs. 38,660 ($910); sunflowerseed oil rs. 30,500 ($718); palm oil rs. 30,100 ($708); soybean oil rs. 31,200 ($734).

Strong regional preferences for specific oils appear to be waning. This is due in large part to the price sensitivity of Indian consumers, who are availing themselves of lower-priced, alternative (imported) oils. This trend is also supported by the increased consumption of refined oils which has rendered tastebuds more malleable, and by the growing concerns of urban consumers over the possible adulteration of traditional oils.

Following implementation of the Edible Oil Packaging Order (1998), many companies involved in the marketing of edible oils began to market smaller pacs of 100, 200 and 500 ml to appeal to lower income consumers. Although the blending of edible oils is legal (subject to labelling), a consumer preference for pure, traditional oils has encouraged unscrupulous traders to illegally blend cheaper refined oils such as palmolein with premium peanut oil, or soyoil with sunflower oil. Of the 2.9 million tons of palmolein imported in MY 1999, trade sources estimate that up to one-third was blended with peanut oil which commands a $225 premium.

Trade and Competition

With the rising demand for edible oils, and very limited growth in domestic oilseed production, imports of edible oils are forecast to reach a record 5.4 million tons in MY 2001. Assuming a fall in world palm prices, imports of palm are expected to retain their dominant position at a record 3.75 million tons. High world production of soybeans and sunflower seed (and a larger soybean carryover) are, however, expected to keep prices for these oils competitive, with soyoil imports forecast at 900,000 tons, and sunflower oil at 600,000.

Despite repeated increases in import duties, MY 2000 imports of edible oils are estimated at a record 5.0 million tons. The growth in imports is attributed to reduced domestic production, low world prices, and rapidly rising demand. Larger imports of soft oils in MY 2000 are due to a duty structure which binds soyoil at a lower rate than competing oils. With the establishment of lower duties for crude oils (relative to refined oils), imports of crude as a percentage of total imports is expected to touch a record 60 percent in MY 2000, compared with 42 percent during the previous year. Imports of soybean oil are estimated to reach a record 1.0 million tons, and sunflower oil 500,000 tons.

Market Opportunities

Palmolein is expected to continue to dominate the Indian import market for edible oils due to its lower price and growing consumer acceptance. The spring harvest of South American oilseeds enhances the price competitiveness of oils from this region, which are usually quoted at $20/ton lower than US prices. Despite these challenges, imports of US soyoil are estimated at 100,000 tons in MY 2000 (some of it concessional) and are forecast to reach 125,000 in MY 2001. The potential exists for a number of large importers owning soy/sun crushing/refining facilities with well-developed edible oil brands to become regular importers of US sun and soyoil when local supplies become tight.

Policy

Despite considerable domestic and international pressure, the GOI has maintained preferential tariff treatment for soybean oil since April. Rumors of an introduction of policy measures to undermine the preferential treatment have been circulating since last fall. The Government of India is fully aware that any additional duties on soyoil imports would have to be matched by a domestic tax. Given the price sensitivity of edible oils, it does not appear likely that they will apply new taxes on soyoil any time soon (particularly as the GOI will take in $1 billion in tariff revenues on imports of edible oil).

Heightened Indian sensitivity regarding the level of edible oil imports can be attributed in part to the government's long-standing concern with food self-sufficiency. It could be argued, however, that larger imports of edible oils have, in fact, enhanced India’s food security, as per capita consumption of oil has increased by 25 percent since liberalization of the import market in 1995.

To date, the GOI has justified tariff increases as a means of protecting Indian farmers. The data would suggest that sufficient protection already exists, as domestic soybean prices are currently about $225/ton, or 25 percent higher than the government's minimum support price (and about 40 percent higher than the price of US soybeans). While the manipulation of tariffs may provide short-term political relief, it postpones serious consideration of the real problem -- the low level of oilseed productivity in India. Failure to address this issue comes at a high price, to the extent that India’s one billion consumers are forced to pay double the world price for vegetable oil.